

[22 February, 2001]

RAJYA SABHA

(b) whether the same additional surcharge will also be imposed on all companies;

(c) if so, what will be the annual income turn-over, of companies attracting this levy;

(d) if so, what are the details thereof;

(e) how much additional revenue is expected to be generated by way of fresh taxation; and

(f) in what manner this amount would be spent by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) Yes, Sir.

(c) and (d) The additional surcharge is levied on all domestic companies, irrespective of their annual income.

(e) About Rs. 1,300 crores.

(f) The amount is proposed to be spent for the relief and rehabilitation of areas of Gujarat hit by a massive earthquake on 26th January, 2001.

Showcause notice to M/s Seagrams

57. SHRI DILIP SINGH JUDEV: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Show-cause notice slapped on Seagrams for duty evasion" appearing in the Indian Express (New Delhi) on the 27th December, 2000;

(b) whether it is a fact that M/s Seagrams had been under invoicing the import of Scotch concentrates for five years and evaded customs duty to the tune of Rs. 35 crores; and

(c) if so, what are the details thereof and what action is being taken by Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) Yes Sir.

A report in this regard has appeared in the Indian Express newspaper (New Delhi edition) dated 28.12.2000.

(b) and (c) In investigations carried out by Directorate of Revenue Intelligence into the imports of concentrates by Mfc Seagrams during Dec. 1994 to June 2000 a number of irregularities including *prima facie* undervaluation of concentrates have come to light. A detailed showcause notice has been issued in which they are alleged to have evaded customs duty of Rs. 37.96 crores. The show cause notice is in the process of adjudication. A complaint for prosecution has also been filed on 22.12.2000 and is being pursued before the jurisdictional court.

Impact of recent earthquake on economy

58. SHRI K. M. KHAN: Will the Minister of FINANCE be pleased to state:

(a) what has been the actual impact of the recent country-wide earthquake on the Indian economy;

(b) what is the total estimated loss that has been caused to economy in terms of money; and

(c) what steps are being taken by Government to neutralise this impact and to make the economy a growth oriented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) According to preliminary estimates as assessed by the Government of Gujarat, damage has occurred to personal properties, household properties, public utilities, public infrastructure and amenities, industrial and commercial establishments. The total loss of damage has been estimated at Rs. 20,875 crores as reported by the State Government. While the impact would be mainly on the State Government of Gujarat, any repercussion on the Indian economy can be absorbed by the economy.